

Message Text

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ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 SP-02 USIA-15 AID-05 EB-08
NSC-05 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00
FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01
L-03 H-02 PA-02 PRS-01 /109 W
-----151123Z 036645 /12

R 150817Z MAR 77

FM AMEMBASSY TOKYO
TO SECSTATE WASHDC 6138
TREASURY DEPT WASHDC
INFO AMEMBAYSY BONN
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY ROME
USMISSION EC BRUSSELS
USMISSION OECD PARIS

UNCLAS SECTION 1 OF 2 TOKYO 3617

E.O. 11652: N/A

TAGS: EFIN, JA

SUBJECT: JAPAN'S GNP IN FOURTH QUARTER AND YEAR 1976

1. SUMMARY: NATIONAL ACCOUNTS STATISTICS RELEASED MAR 12
BY EPA SHOW JAPAN'S REAL GNP ROSE 6.3 PERCENT IN CY 76,
DESPITE SLOWER GROWTH IN SECOND HALF/ MOST IMPORTANT CON-
TRIBUTING FACTORS WERE MODERATE BUT QUANTITATIVELY CRITICAL
ADVANCE IN PRIVATE CONSUMPTION; AND STRONG INCREASES IN NET
EXPORTS OF GOODS AND SERVICES AND PRIVATE HOUSING INVESTMENT.
JAPAN'S REALGNP GROWTH, SEASONALLH ADJUSTED, PICKED UP
SOMEWHAT IN FOURTH QUARTER 1976, TO APPROXIMATE 2.3 PERCENT
ANNUAL RATE, FROM THIRD QUARTER 1.4 PERCENT RATE (REVISED).
END SUMMARY.

2. JAPAN'S REAL GNP RECORDED 6.3 PERCENT INCREASE IN
CY 76, AS COMPARED WITH 2.4 PERCENT IN 1975. THE 4.4
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PERCENT INCREASE IN PRIVATE CONSUMPTION CONTRIBUTED OVER ONE-
THIRD OF GNP ADVANCE. STRONG RISE IN NET EXPORT SURPLUS,
RESULT OF LARGE 17.1 PERCENT INCREASE IN REAL EXPORTS AND FAIR,
7.9 PERCENT INCREASE N REAL IMPORTS, CONTRIBUTED ADDITIONAL
ONE-FOURTH; AND STRONG, 10.8 PERCENT, RISE IN PRIVATE
HOUSING INVESTMENT PROVEED ANOTHER 10 PERCENT. ALTHOUGH
PRIVATE PLANT AND EQUIPMENT INVESTMENT REMAINED WEAK, THE

1.7 PERCENT INCREASE FOR THIS SECTOR IN CY 76 REPRESENTS
SUBSTANTIAL IMPROVEMENT FROM 13.1 PERCENT DECLINE RECORDED
IN CY 75.

3. FOLLOWING TABLE SHOWS NATL EXPENDITURE ACCOUNTS FOR
CY 75 AND CY 76 IN BIL YEN AT CURRENT PRICES AND 1970
PRICES. PERCENT CHANGE FROM PRIOR YEAR SHOWN IN PAREN
BELOW EACH VALUE.

	AT CURRENT PRICES		AT CY 1970 PRICES	
	1975	1976	1975	1976
PVT CONSUMPTION	82,306.7	93,054.4	49,483.2	51,670.0
	(17.8)	(13.1)	(6.1)	(4.4)
PVT HOUSING INVEST.	10,521.4	12,571.9	6,299.8	6,980.6
	(7.6)	(19.5)	(7.3)	(10.8)
PVT PLANT AND EQUIP.	20,649.7	21,715.2	14,399.3	14,644.3
INVESTMENT	(-12.1)	(5.2)	(-13.1)	(1.7)
CHANGE N PVT.	1,806.0	2,529.8	1,186.5	1,516.9
INVENTORIES	(-63.7)	(40.1)	(-64.0)	(27.8)
GOVT CONSUMPTION	16,203.7	18,151.5	8,028.0	8,378.4
	(22.8)	(12.0)	(7.0)	(4.4)
GOVT FIXED CAPITAL	13,640.8	15,024.7	8,822.2	9,312.9
FORMATION	(13.9)	(10.1)	(11.1)	(5.6)
CHANGE IN GOVT	413.3	307.8	188.5	126.9
INVENTORIES	(88.4)	(-25.5);	(6,562.7)	(-32.7)
NET EXPORTS (GOODS)	- 95.1	1,184.6	3,387.3	4,952.7
& SERVICES)	(-92.4)	(....)	(83.9)	(46.2)

(EXPORTS) 20,255.3 23,825.5 14,094.8 16,504.8

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	(4.1)	(17.6)	(4.4)	(17.1)
(IMPORTS)	20,350.4	22,640.9	10,707.6	11,552.1
	(-1.7)	(11.3)	(-8.2)	(7.9)
GNP	145,446.4	164,540.0	91,794.7	97,582.8
	(10.0)	(13.1)	(2.4)	(63.);

4. CY 1976 FOURTH QUARTER SAW WEAKNESS IN PRIVATE
HOUSING INVESTMENT AND GOVT INVESTMENT MORE THAN OFFSET
BY MODERATE GROWTH IN OTHER ACCOUNTS, TO YIELD REAL GROWTH
AT ABOUT 2.3 PERCENT S.A.A.R. THIS WAS SLIGHTLY
FASTER THAN THIRD QUARTER PACE, PREVIOUSLY ESTIMATED BY
EPA AT 1.1 PERCENT AND NOW RECEIVED UPWARD TO 1.4 PERCENT
ANNUAL RATE.

5. IT IS NOTWORTHY THAT DECLINES IN FOURTH QUARTER
WERE IN ACCOUNTS LIKELY TO PICK UP IN PERIOD AHEAD.
HOUSING WAS PRIME TARGET OF BOTH NOV AND MARCH GOJ
STIMULUS PACKAGES; AND DECLINE IN GOVT INVESTMENT
PROGRAM OUTLAYS PRESUMABLY REFLECTED FUNDING PROBLEMS,

SINCE CLEARED UP, ASSOCIATED WITH DELAYED PASSAGE OF
LEGISLATION AUTHORIZING INCREASED ISSUES OF NATL BONDS.
FROM POINT OF VIEW OF COMING QUARTERS,
BIGGEST UNCERTAINTY MAY BE WHETHER PLANT AND EQUIPMENT
INVESTMENT WILL CONTINUE TO MAKE EVEN SMALL POSITIVE CONTRIBU-
TIONS TO REALGROWTH IT MADE IN FOURTH QUARTER. NET EXPLOITS
OF GOODS AND SERVICES IN THE QUARTER WERE ALSO AT SOMEWHAT
HIGHER RATE THAN AVERAGE FOR FULL CY 1976.

6. FOLLOWING TABLE SHOWS QUARTERLY 1976 LNP AND OTHER NATL
EXPENDITURE ACCOUNTS AT SEASONALLY ADJUSTED ANNUAL RATES IN
BIL OF YEN, 1970 PRICES. PERCENT CHANGE FROM PRIOR QUARTER
SHOWN IN PAREN BELOW EACH VALUE.

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FRB-01 INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02
LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 L-03
H-02 PA-02 PRS-01 /109 W
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	JAN-MAR	APR-JUNE	JULY-SEP	OCT-DEC
PVT CONSUMPTION	51,300.7	51,431.6	51,848.0	52,078.1
	(2.1)	(0.3)	(0.8)	(0.4)
PVT HOUSING	7,114.1	7,030.1	7,035.4	67,89.2
INVESTMENT	(11.4)	(-1.1)	(0.1)	(-3.5)
PVT PLANT AND	14,450.7	14,623.1	14,686.6	14,760.0
EQUIP INVEST.	(3.2)	(1.2)	(0.4)	(0.5)
CHANGE IN PVT	1,000.8	1,069.2	1,869.4	2,041.3

INVENTORIES	(-38.5)	(6.8)	(74.8)	(9.2)
GOVT CONSUMPTION	8,405.5	8,339.3	8,342.4	8,433.6
	(2.7)	(-0.8)	(0.0)	(1.1)
GOVT FIXED	9,086.8	9,685.4	9,565.6	9,210.8
CAPITAL	(2.7)	(6.6)	(-1.2)	(-3.7)
FORMATION				
CHANGE IN GOVT	178.2	173.2	- 41.2	198.0
INVENTORIES	(-22.3)	(-2.8)
NET EXPORTS	4,794.7	5,270.3	4,667.4	5,030.8
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(GOODS AND SERVICES)	(23.9)	(9.9)	(-11.4)	(7.8)
(EXPORTS)	15,759.0	16,532.2	16,540.4	17,124.7
	(8.8)	(4.9)	(0.0)	(3.5)
(IMPORTS)	10,964.3	11,261.9	11,873.0	12,093.9
	(3.3)	(2.7)	JKTMRL	(1.9)
GNP	96,331.5	97,622.2	97,973.6	98,541.8
	(3.2)	(1.3)	(0.4)	(0.6)

7. FOLLOWING TABLE SHOWS QUARTERLY 1976 GNP AND OTHER

NATL EXPENDITURE ACCOUNTS AT SEASONALLY ADJUSTED ANNUAL RATES
IN BIL OF YEN IN CURRENT PRICES. PERCENT CHANGE FROM
PRIOR QUARTER SHOWN IN PAREN BELOW EACH VALUE.

	JAN-MAR	APR-JUNE	JUL-SEP	OCT-DEC
PVT CONSUMPTION	89,117.8	91,607.0	94,538.4	96,523.7
	(3.8)	(2.8)	(3.2)	(2.1)
PVT HOUSING	12,107.6	12,474.2	12,973.2	12,709.4
INVESTMENT	(12.0)	(3.0)	(4.0)1	(-2.0)
PVT PLANT AND	20,923.8	21,500.2	22,059.2	22,213.8
EQUIP INVEST.	(4.1)	(2.8)	(2.6)	(0.7)
CHANGE IN PVT.	697.1	2,600.4	3,130.0	3,578.4
INVENTORIES	(-75.1)	(273.0)	(20.4)	(14.3)
GOVT CONSUMPTION	17,548.1	18,168.5	19,018.1	18,084.7
	(4.9)	(3.5)	(4.7)	(-4.9)
GOVT FIXED CAPITAL	14,330.0	15,715.1	15,498.3	15,301.1
FORMATION	(3.4)	(9.7)	(-1.4)	(-1.3)
CHANGE IN GOVT	292.1	77.2	- 108.8	946.4
INVENTORIES	(-67.5)	(-73.6)	--	--
NET EXPORTS (GOODS)	1,608.0	1,875.0	508.2	691.9
& SERVICES	--	(16.6)	(-72.9)	(36.1)
(EXPORTS)	22,945.1	24,096.2	23,740.7	24,434.8
	(11.9)	(5.0)	(-1.5)	(2.9)
(IMPORTS)	21,337.1	22,221.2	23,232.5	23,742.9
	(1.2)	(4.1)	(4.6)	(2.2)
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GNP 156,624.5 164,017.6 167,616.6 170,049.4
(4.1); (4.7) (2.2) (1.5);

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DATA, GNP
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Handling Restrictions: n/a
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Locator: TEXT ON-LINE, ON MICROFILM
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Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
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Secure: OPEN
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Subject: JAPAN'S GNP IN FOURTH QUARTER AND YEAR 1976
TAGS: EFIN, JA
To: STATE TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/bbf780b7-c288-dd11-92da-001cc4696bcc
Review Markings:
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Declassified/Released
US Department of State
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